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BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF WASHINGTON

In the Matter of the Application
regarding the Conversion and
Acquisition of Control of Premera Blue
Cross and its Affiliates.

No. G 02-45

TWENTY-THIRD ORDER: ORDER
EXTENDING CASE SCHEDULE

PREMERA and Premera Blue Cross (“Premera”) moved for an extension of the case schedule to permit the opportunity to amend its Form A filing. I have reviewed Premera’s motion, the OIC Staff’s response, and the papers filed by the Interveners. A hearing was held in Tumwater on December 10, 2003 at which I heard arguments from the parties. As a result of the hearing, Premera, OIC Staff, and the Interveners agreed to modify the deadlines of the case schedule. Based upon their agreement and my determination that a modified schedule will ensure adequate review by the parties, the public, and me of any potential changes to the terms of Premera’s proposed transaction, the case schedule set forth in the Thirteenth Order is modified as follows:

TWENTY-THIRD ORDER:
ORDER EXTENDING CASE
SCHEDULE 1

<u>Deadline</u>	<u>Action</u>
January 8, 2004	Premera files amendments to its Form A, if any, with the OIC. Amendments that may be filed will be considered within the current review process and will not start a new Form A process.
January 30, 2004	Previously identified testifying experts of the OIC Staff may submit supplemental reports addressing the effect of changes, if any, in the Form A. Intervenors will receive reports and treat them as AEO under the Protective Order until redacted versions are available. Redactions will be completed within one week. Within four days after the deadline for reports, the OIC Staff will produce all documents relied upon by consultants in preparing their supplemental reports to Premera and the Intervenors.
February 6, 2004	Previously identified testifying experts of Premera may submit supplemental reports addressing the effect of changes, if any, in the Form A. Intervenors will receive reports and treat them as AEO under the Protective Order until redacted versions are available. Redactions will be completed within one week. Within four days after the deadline, Premera will produce all documents relied upon by its consultants in preparing their supplemental reports to the OIC Staff and the Intervenors.
February 13, 2004	Previously identified testifying experts of the Intervenors may submit supplemental reports addressing the effect of changes, if any, in the Form A. This is also the last day for the Intervenors to submit document requests (if any), limited to changes (if any) in the Form A. Within four days after this deadline, the Intervenors will produce all documents relied upon by their consultants in preparing their supplemental reports to Premera and the OIC Staff.
February 17, 2004	Disclosure of new fact witnesses by Intervenors (may not be OIC Staff or Premera-related)
February 23, 2004	Notwithstanding the discovery cutoff of December 5, 2003, the parties may depose experts who have submitted supplemental reports on the subject matter of those supplements and ask for documents, if any, related to changes in the Form A. If ADI experts are allowed to testify or their reports are allowed to be submitted, this deadline will apply to their depositions as well.
March 3, 2004	Parties submit pre-filed direct testimony
March 18, 2004	Parties submit pre-filed responsive testimony

TWENTY-THIRD ORDER:
ORDER EXTENDING CASE
SCHEDULE 2

March 29 – April 9	Hearing
April 19, 2004	Deadline for post-hearing submissions
June 7, 2004	Commissioner's decision

Except as expressly modified by the foregoing, the case schedule set forth in the Thirteenth Order shall remain unchanged.

At any meeting that takes place between December 11, 2003 and January 8, 2004 between the OIC Staff and Premera to discuss concerns raised by the OIC Staff or its consultants with respect to Premera's Form A Statement, the Interveners will have observation rights—that is, one representative of the Interveners' counsel may be present during that meeting. The OIC Staff and Premera will also share with the Interveners' counsel contemporaneously all e-mail and documents exchanged between them between December 11, 2003 and January 8, 2004 that relate to this matter. The Interveners shall treat all such discussions, e-mail, and documents as AEO.

The Commissioner authorizes his counsel, together with Premera's counsel, to propose and file a stipulated modification of the Stipulation of Parties and Final Order entered by Judge Casey on September 12, 2003, to provide an extension of the decision deadline therein from March 15, 2004 to June 7, 2004.

MIKE KREIDLER
INSURANCE COMMISSIONER

TWENTY-THIRD ORDER:
ORDER EXTENDING CASE
SCHEDULE 3